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CONTRACT PERSONNEL DIVISION

ANNUAL REPORT

For the Period 1 July 1959 to 30 June 1960

SUMMARY

The number of new contracts written during FY 1960 increased substantially over that for FY 1959, in continuation of the trend of the past several years. The total number of contracts carried on the rolls of the Division has also reached an all-time high.

25X1C That the interest shown in the employment of the contract instrument is likely to persist is indicated by the current drive to acquire nonofficial cover assets, with particular emphasis on placing these under contract. The formation, during FY 1960, of the Non-Official Cover Committee has provided impetus to this trend. Concomitant with these developments has been the interest shown by the Deputy Director of Plans and the Chief, Clandestine Services Agent Panel in eliminating limitations on retention of all or part of the [REDACTED]. The direction of current operational planning thus points, not only to an increased use of contracts, but also to contracts which will be "tailored" to a specific set of circumstances.

25X1A Recent events - i.e. the movement of CPD to I Building and changes in the contract approving function made by [REDACTED] - have created closer ties between the case officers in the area divisions and the staff of CPD with, we believe, resulting benefits to both. The closer contact has given this Division a greater knowledge of operations thus providing the background needed if CPD moves into an era of "specialized" contracts. Experience already gained has been of considerable value in assisting the development of special projects such as that of [REDACTED] 25X1A

25X1A As the Agency moves towards a greater use of the contract instrument, the importance of ensuring that the administrative procedures for contract personnel are adequate becomes of increasing importance. CPD has been actively engaged with other interested offices in establishing firmer controls on the procedures by which leave records are maintained and contract personnel are terminated. The Division anticipates that the review of the administrative procedures for contract personnel, and for staff agents, will continue. The current method of record keeping for staff agents, and in the allowance field, the scope of the new [REDACTED] and the effect of [REDACTED] 25X1C allowances appear to be areas susceptible of examination.